

Request for Proposals
Project-Based HUD-Veteran Affairs Supportive Housing Vouchers

The State of Maryland Department of Housing and Community Development (DHCD) is seeking proposals from qualified applicants to receive an allocation of Project Based HUD-Veterans Affairs Supportive Housing Vouchers (VASH). The purpose of this allocation is to enable homeless veterans to access affordable housing with an array of supportive services. All proposals will be evaluated on scoring criteria developed by DHCD. DHCD will select one proposal to submit to the United States Department of Housing and Urban Development (HUD) for consideration as part of a national competition. DHCD must submit its proposal to HUD by Friday, September 9, 2016. HUD issued Notice PIH-2016-11 on July 1, 2016 which provides additional detail regarding this national competition.

Questions or Interpretations

Any request for interpretation or questions concerning RFP must be submitted via email to Gregory.Hare@Maryland.gov no later than 4:30 p.m. on Monday, August 15, 2016. DHCD will compile and distribute all inquiries and responses on our website at www.dhcd.maryland.gov

Proposal Submission Deadline

All applications for Project-Based HUD VASH are due no later than **4:30 p.m. on Monday, August 22, 2016**. Applications should be submitted as detailed in this RFP to the DHCD Facilities and Fleet Management mailroom located at 7800 Harkins Road room 291, Lanham Maryland 20706 attention of:

Gregory Hare
Maryland Department of Housing and Community Development
Multifamily Housing Programs
7800 Harkins Road, Room 291
Lanham, Maryland 20706
301-429-7775 or 1-800 543-4505
Gregory.Hare@Maryland.gov

Program Description

Project-Based HUD-VASH Vouchers

A. Overview

As a qualifying PHA, DHCD is requesting owner/developers to submit an application for Project Based Vouchers (PBVs). DHCD will select the most qualified of those proposals based on the scoring criteria included in this packet for submittal to HUD for consideration as part of a national competition. DHCD must submit its proposal to HUD by Friday, September 9, 2016.

To enable DHCD to meet HUD's deadline, proposals from interested parties are due into DHCD by Monday, August 22, 2016, 4:30 p.m. At all times, the selected proposal is subject to the requirements of 24 CFR 983, implementation of the HUD-VASH Program (Operating Requirements) published in the *Federal Register* on March 23, 2012 and HUD Notices PIH 2010-23 and PIH 2011-50.

Additionally, all proposals will be reviewed by DHCD in accordance with the requirements outlined in HUD Notice PIH 2016-11 which governs the national competition for VASH vouchers.

DHCD will offer up to 75 VASH housing choice vouchers to be awarded to one project.

B. Due Date

Proposals must be received by DHCD no later than **4:30 p.m. on Monday, August 22, 2016**. Proposals will be date stamped to verify receipt by the submission deadline. Proposals must be submitted to the DHCD Facilities and Fleet Management Mailroom at:

Maryland Department of Housing and Community Development
Gregory Hare, Deputy Director, Rental Services
7800 Harkins Road, Room 291
Lanham, Maryland 20706

Applications should be submitted as detailed in this RFP. Questions concerning this RFP must be submitted via e-mail to Gregory.Hare@Maryland.gov no later than 4:30 p.m. on Wednesday, August 15, 2016.

C. Selection Process

DHCD will employ the following process to determine which proposal will be selected.

- DHCD staff will review each proposal to ensure that it is complete. Incomplete submissions will be returned and will not be processed further by DHCD. Complete proposals will be submitted for scoring.
- All complete proposals will be scored by a scoring committee convened by DHCD.
- All proposals will be ranked according to their score. The highest scored proposal(s) will be recommended and submitted to HUD for review as part of the National Competition.
- The selection of any PBV proposal is conditional and subject to approval by HUD in accordance with HUD Notice PIH 2016-11 issued on July 1, 2016.

D. Eligibility Requirements

Proposed projects must be located in the State of Maryland within a 60 minute travel commute of a VA Medical Center (VAMC) or VA Community Based Outpatient Clinic (CBOC).

Consideration will be given to other areas outside of the 60 minute commute if the VAMC supports the project and will provide the case management services

DHCD will accept proposals for newly constructed, rehabilitated, or existing housing

DHCD may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of DHCD selection, the unit substantially complies with Housing Quality Standards.

A housing unit is considered newly constructed or rehabilitated units if developed in accordance with the PBV requirements found at 24 CFR Part 983 Subpart D, that will execute an AHAP and start construction within 24 months of the award announcement.

To be eligible for project-based Section 8 rental assistance from DHCD, the following criteria must be met:

- Projects must be permanent housing. Emergency, temporary or transitional housing are not eligible for project-based rental assistance.
- If it involves rehabilitation or an existing rental property, the project must meet HUD HQS before a Housing Assistance Contract is executed.
- The units must be either independent units or non-independent living units that are Single Room Occupancy (SRO) units as defined by HUD (24 CFR §982.4).
- Tenants must have a lease with a minimum term of one year.
- The rents that are charged must meet the DHCD rent reasonableness test.
- Tenants must meet HUD/VASH eligibility criteria.
- Tenants must be at least 18 years old or have been legally emancipated.
- Tenants must be homeless veterans referred by the VAMC using the “*Housing First*”¹ approach.
- HUD prohibits the use of project-based Section 8 Housing Choice Vouchers for the following activities: shared housing; medical, mental or similar public/private institutions; nursing homes or facilities providing continuous care; psychiatric, medical or nursing facilities; board and care or Intermediate Care Facilities; manufactured housing; or coop housing.

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Projects receiving project-based Section 8 Housing Choice Vouchers will require an environmental review. A PHA, an owner, or its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities until an environmental review is completed.

¹ *Housing First* is an approach where homeless persons, usually chronically homeless or especially vulnerable homeless individuals and families, are provided immediate access to housing and then offered the supportive services that may be needed to foster long-term stability and prevent a return to homelessness. This approach removes unnecessary barriers and assumes that supportive services are more effective in addressing needs when the individual or family is housed and the daily stress of being homeless is taken out of the equation. Key components of this model include a simple application process, a harm reduction approach, and no conditions of tenancy beyond those included in the lease. *Housing First* specifically does not require sobriety or testing for substance abuse to obtain or sustain tenancy and thus must not be required in the lease. More information on *Housing First* is available at: <https://www.usich.gov/tools-for-action/housing-first-checklist>

E. Environmental Review

Projects receiving project-based rental assistance from DHCD must undergo an environmental review under HUD's environmental review rules at 24 C.F.R. Part 58. HUD's environmental review rules prohibit an applicant applying for project-based rental assistance from DHCD from taking certain actions from the date DHCD receives the application until the completion of the environmental review process for the applicant's project. Completion of the environmental review process means that DHCD has completed the required environmental review of the project and that HUD has approved the release of the project-based rental assistance funds for the project.

F. Housing Registry

Applicants will be required to provide all information required by DHCD and SocialServe to list their properties on DHCD's Housing Registry Website: www.MDHousingsearch.org.

G. Fair Housing and Equal Opportunity

The applicant shall comply with applicable Federal and State laws, executive orders and regulations pertaining to fair housing and equal housing opportunity, including without limitation, Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d et seq., 24 CFR Part 1), The Fair Housing Act, as amended (42 U.S.C. § 3601 et seq., 24 CFR Part 100-115), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), and Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq., 24 CFR Part 146). Applicants are cautioned to be aware of the potential applicability of provisions of the Americans with Disabilities Act, federal Fair Housing legislation and Section 504 of the Rehabilitation Act of 1973 to any housing proposed for funding. Procedures for selection of residents, conditions of residency, and rules regarding termination may fall within the scope of this legislation. Providers must make reasonable accommodations of rules, policies, and procedures and may be required to allow reasonable structural modifications of buildings to be made, if necessary, to allow an individual with disabilities equal access to housing.

H. DHCD Non-Discrimination Notice

DHCD does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status in the admission or access to, or treatment or employment in, its programs, and activities. DHCD will provide appropriate communication auxiliary aids and services upon sufficient notice. DHCD will also provide this document in alternative formats upon sufficient notice. DHCD has designated the following person responsible for coordinating compliance with applicable Federal and State nondiscrimination requirements and addressing grievances:

OFFICE OF FAIR PRACTICES
Gordon M. Outlaw, *Director* (301) 429-7416
e-mail: gordon.outlaw@maryland.gov

I. Right to Cancel

DHCD reserves the right to reject or cease processing any requests for PBV assistance prior to the execution of an AHAP or HAP contract.

J. PBV Requirements.

All projects must be selected, developed, and operated in accordance with

PBV program requirements found at 24 CFR part 983, implementation of the HUD-VASH Program (Operating Requirements) published in the *Federal Register* on March 23, 2012, the requirements of Notice PIH 2011-50 (*Project-basing of HUD-VASH Vouchers*) and Notice PIH 2011-54 (*Guidance on the PBV Program*) and PIH 2016-11.

K. Submission Requirements.

- Completed Application using the format attached.

L. Additional Terms and Conditions.

- DHCD expressly reserves the right to modify or withdraw this Request at any time, whether before or after any responses have been submitted or received.
- DHCD reserves the right to adjust the timetable for this Request as deemed necessary.
- DHCD reserves the right to reject any or all respondents and not to award a contract pursuant to this Request, or to terminate the Request process at any time, if deemed to be in its best interest.
- In the event the respondent selected does not enter into the required contract described in this Request, DHCD reserves the right to reject the respondent and to offer a contract to another respondent.
- In no event will any obligations of any kind be enforceable against DHCD unless and until a written contract is entered into.
- DHCD reserves the right to waive informalities and minor irregularities in proposals received.
- DHCD reserves the right to reject and not consider any or all respondents who do not meet the requirements of this Request, including but not limited to incomplete responses and/or responses offering alternate or non-requested services.
- Each respondent agrees to bear all costs and expenses of its response and there will be no reimbursement for any costs and expenses relating to the preparation of responses submitted or for any costs or expenses incurred during any negotiations.

SCORING CRITERIA
Project-Based HUD-VASH Vouchers

The scoring committee will be using the following criteria to score each eligible proposal. A maximum of 110 points may be awarded.

I. Project Readiness (15 Points)

The proposal must include a project timeline indicating major milestones including when project units will be ready for occupancy:

- **(15 points):** Existing housing that will be ready for occupancy within 60 days of award selection date for PBVs under this notice.
- **(5 points):** Newly constructed or rehabilitated units that will execute an agreement to enter into housing assistance payments (AHAP) and start construction within 24 months of the award announcement.

For newly constructed or rehabilitated units, the Applicant must provide a project timeline including these major milestones: (1) execution of Agreement to Enter into a Housing Assistance Payments contract (AHAP); (2) construction start date; and (3) execution of PBV HAP contract.

II. Participation in the Enhanced Use Lease (EUL) Program (25 Points)

An additional 25 points will be awarded if the project is being developed in coordination with the EUL program.

- **(25 points):** The project is being developed in coordination with the EUL program.
- **(0 points):** The project is not associated with the EUL Program.

III. *Housing First* (10 points)

The project must comply with *Housing First*.

- **(10 points)** Occupancy policies or statements of purpose specifically do not require being clean and sober upon admission or to maintain their housing. Submitted policies will also demonstrate how negative exits will be avoided; how a respectful, ward and compassionate environment for Veterans to live in will be created; and how a recovery oriented environment will be created.
- **(0 points)** Submitted documentation does not reflect a commitment to *Housing First*, as outlined in the 10 point category

IV. Relative Need: Number of Veterans experiencing homelessness (30 Points)

- **(30 points):** Very High need is determined
- **(15 points):** High need is determined
- **(5 points):** Medium need is determined

V. Relative Need: Affordable Housing (30 Points)

HUD and VA will rate this factor based on the availability of affordable housing in the neighborhood of the proposed project.

- **(30 points):** Very High need is determined
- **(15 points):** High need is determined
- **(5 points):** Medium need is determined

APPLICATION

PROJECT BASED HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING VOUCHERS

Please provide the following project information in the order presented:

I. The number of PBVs requested, which cannot exceed 75.

II. A description of the proposed project

Including:

- A. Name and address.
- B. Location by census tract.
- C. Poverty rate of the census tract.
- D. Total number of buildings.
- E. Total number of units by bedroom size in each building and proposed rent and utility structure.
- F. Number and bedroom sizes of requested HUD-VASH units in each building.
- G. Community space and office space that is on the property and available for use by VASH Veterans, VA services, and other supportive services.
- H. Any HUD-VASH related supportive services on or near the premises.
- I. Accessibility to VAMC, transportation, and social and medical services.
- J. Tenant selection criteria for VASH units.
- K. Target population, if any, of any non HUD-VASH units including tenant selection criteria.

III. Project Readiness

- A. Include a project timeline indicating major milestones including when project units will be ready for occupancy. Please indicate if the project meets one of the following:
 - Existing housing that will be ready for occupancy within 60 days of the award announcement.
 - Newly constructed or rehabilitated units that will execute an Agreement to Enter Into Housing Assistance Payments (AHAP) and start construction within 24 months of the award announcement.
 - For newly constructed or rehabilitated units, the applicant must provide a project timeline including these major milestones: (1) execution of Agreement to Enter Into a Housing Assistance Payments contract (AHAP); (2) construction start date; and (3) execution of PBV HAP contract.

Failure to address the Project Readiness scored factor, including major milestones, where applicable, will result in the application being removed from the competition.

IV. Enhanced Use Lease

Describe if the project is participating under an enhanced use lease agreement with the VA.

V. Support Services

Including:

- A. A description of any specific supportive services available from the VA and other local social service providers to support the residents of the project. The description must include the type of service, the name of the provider, the length of time the services will be available to each resident, and how the services will be monitored.
- B. Project statement regarding accessibility to:
 - Transit, including a statement of options for the immediate area, such as rail, bus, ride share, etc.;
 - VAMC or CBOC (please provide travel time from the proposed project to the nearest VAMC or CBOC location);
 - Employment opportunities; and
 - Neighborhood amenities such as grocery stores, banks, libraries, parks, etc.
- C. Please describe other factors that address meeting the unique needs of a rural community (e.g. computer technology available onsite, resident service coordination, etc.).

VI. Housing First

Including:

- A. A description of your experience with developing and managing supportive housing for veterans, homeless, elderly, and/or disabled families including number of projects, location, and the level of services provided or coordinated that meet the requirements of *Housing First*.
- B. Please describe your existing relationships with community service providers.
- C. Please provide a certification that the project will comply with requirements of the *Housing First* model.

Failure to address the *Housing First* scored factor is considered a non-curable deficiency and will result in the application being removed from the competition.

VI. Relative Need: Number of Veterans experiencing homelessness

HUD and VA will calculate the need scores for applications that include multiple counties and/or CoCs in the project description using an average score across all areas listed.

VII. Relative Need: Affordable Housing

HUD will use the proposed or anticipated project information supplied to score this category

VIII. Letter of Support

Application must include a signed letter of support from the VAMC or Veterans Integrated Service Network's (VISN) **Director** and the **VA Network Homeless Coordinator**. The letter from VA must confirm the need for the number of vouchers requested in the application.

Appendices

- A. HUD Notices(PIH 2016-11 (HA))
- B. DHCD Admin Plan, Chapter 21 PBVs